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SPECIAL REPORT

SAIONJI-HARADA MEMOIRS

PART IV

"WITHDRAWAL FROM THE LEAGUE"

(17 Sep 1932 - 16 Jan 1933)
Vol I

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Major, Field Artillery
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THE SAIONJI - HARADA MEMOIRS

PART FOUR: WITHDRAWAL FROM THE LEAGUE

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Saionji - Harada Memoirs

Chapter 53-54
(17 September 1932)

Ambitious Matsuoka

Translated by T/Sgt. Tadashi Kishishita

Since the Diet session was scheduled to open on August 23rd, the KUHARA faction and MORI were active with some group in the attempt to overthrow the Cabinet during this session of the Diet. Nevertheless, the general atmosphere did not seem serious. First of all, the problems which will be discussed at the Diet session are the resolution for a vote of non-confidence in the Minister of Overseas Affairs, and, in view of the non-completion of the rice law, the move to force the Minister of Agriculture and Forestry to leave his post because of his responsibility. Since the appropriation bill is to relieve the afore-mentioned situation, this appropriation must be passed. Subsequently, the plan is to forward this budget to the House of Peers.

On the 21st, I asked the Premier: "As the opening day of the Diet is imminent, I think that it is better to replace the Chief Cabinet Secretary. What do you think?" After considering for a while, the Premier hesitantly replied: "It is troublesome to replace him at a time like this, but---"

Then I said: "The non-confidence vote in the Minister of Oversea Affairs might ultimately result in the Overseas Minister alone facing a non-confidence vote in order to change the atmosphere of discontent within the Seiyukai. From that point of view, isn't it ultimately better to have the Minister of Overseas Affairs resign of his own accord?" The Premier replied: "I can hardly say to him: 'Resign', but if he personally says, 'I resign,' then the

circumstances would be favourable."

I wrote a message to WAKATSUKI, the President of the Minseito, saying: "If it is possible, I think that from a broad view of the present situation, this is the opportune moment for you to replace the Minister of Overseas Affairs. It may seem bold on my part, however, I would like you to consider this matter once more."

Before the opening of the Diet session, when I conversed with officials from various offices, especially with HATOYAMA, the Minister of Education, they stated: "Somehow, NAGAI's problem is unavoidable." The chief secretary of the Seiyukai was especially worried.

Finally, the Extraordinary Session was opened on the 23rd. As far as the Seiyukai is concerned, since this Extraordinary Session was opened especially at such a crucial time as this, to prevent the materialization of the budget is entirely unfavourable. Moreover, it is natural that such action is considered undesirable for the sake of the Seiyukai itself. In fact, there is a faction, which intends to inspire a group of the House of Peers, and to mar the government's fidelity, with the two bills, the Vice Law and the Liability Adjustment Act. They were also active in purposely preventing the committee from proceeding, as well as in delaying the opening of the Diet session. In general, however, the ring-leaders of those activities were KUHARA's henchmen, and the young members of the House of Representatives were the main supporters. Of course, SUZUKI and the other political leaders desire to bring this session to a successful end.

Thus, the problem is, that in regard to the so-called

Rice Price Control Bill, the Seiyukai drafted a separate bill, in the attempt to shelve the Rice Price Control Bill proposed by GOTO, the Minister of Agriculture and Forestry. As a result, a joint session of both Houses was held for discussion; however, the attitude assumed by the Kenkyukai, which was the backbone of the House of Peers at the session, was impartial, in perfect order at that time, and was never influenced by the Seiyukai. The Therefore, as a result, a compromise at the joint session of the Houses was concluded successfully. Furthermore, after petitioning the Emperor, the third session was extended five days longer than was expected. However, in the end, the session was concluded successfully. Hence, just the Liability Adjustment Bill was shelved, but both the Appropriation Act and the Rice Law (Beikoku-ho) were passed without inflicting any harm upon the Government.

Therefore, what we must observe carefully during the extraordinary session was that TAKAHASHI, the Minister of Finance, and YAMAMOTO, the Minister of Home Affairs, were both very displeased by the selfish attitude taken by the Seiyukai. Their opinions were in agreement that in case it is necessary, the Government must purge the House of Representatives, even at the risk of the dissolution of the House. Thus, the fact that this was similar to, or rather stronger than, a mere opinion had a strong effect in all circles and in the House of Representatives, especially in the Seiyukai, which seems to have given way under its influence.

I think it was during the session, when I called late at night on GOTO, the Minister of Agriculture and Forestry,

Goto eagerly stated: "For the sake of constitutional government, in some cases we must get together with HATOYAMA, and, with the President ot the Seiyukai as the nucleus, we must organize the Cabinet. We must carry on somehow even if we have to oppose the so-called military faction." And furthermore he continued: "After all, these matters are beyond an old man like myself." Then when I met Okada, the Minister of the Navy, he said: "Seemingly the Premier (SAITO) realizes keenly that it is very difficult to carry through the Diet without the staunch support of a political party. Therefore, in order to see through the problems of the Diet, it will be difficult unless he considers relations with the Seiyukai."

On the 27th of August, I sent KIDO to meet the Prince and to explain the conversation of the Minister of the Imperial Household and of the Lord Keeper of the Privy Seal. When I called on the Prince on the 30th of August, he stated: "When KIDO called on me, he did not explain clearly whether he meant: 'Although it is not right to resign for such a reason, it cannot be helped,' So, will you ask him what he meant?"

Therefore, when I met KIDO on the 1st of September, I gave him the verbal message of the Prince. KIDO said: "I believe I said that as far as this matter is concerned, to resign is the worst of all. However, since the Minister of the Imperial Household has given his pledge, he would seem to be breaking his promise, Actually, to keep his post might be difficult, but if the matter can be settled without his resigning from his post, then by all means we want him to remain. That is the best method

of all. Thus, I spoke to the Prince with the intention of making such an explanation." So I explained this to the Prince when I called on him in Gotemba.

Soon after the Diet session was closed, the Premier called on the Prince in Gotemba on the forenoon of the 7th of September to report. Then, on the 8th, the Minister of Foreign Affairs paid his visit to the Prince and discussed the progress of the diplomatic policy and the problem of the recognition of Manchukuo. According to the Prince, he said: "If TAKAHASHI, the Minister of Finance, can recuperate in Hayama for about a month, then he can continue his work without resigning. Therefore, as far as TAKAHASHI is concerned, we reached the conclusion that in case TAKAHASHI should be disabled physically then we will elect MITSUCHI if necessary."

A short while after the conclusion of the Diet session, OKAZAKI, Kunisuke called on me and said: "This Government must be continued for a while as it is." Thus, his words seemed to carry the undertone that he was not in favour of having President SUZUKI appointed Premier.

I invited members of the House of Peers, and the Minister of Agriculture and Forestry, to breakfast, and conversed with them on various matters. From the conversation the opinion was that the Chief Cabinet Secretary must be replaced by all means.

Finally, the Prince was scheduled to leave for Kyoto on the 15th of September, so I accompanied the Prince to Kyoto and returned home.

YOSHIDA, the Japanese Ambassador to Italy, returned from abroad and called on me, and expressed his opinions

in regard to the problem of the League of Nations and especially of the recognition of Manchukuo. After all, the unanimous opinion held by the officials abroad, especially Ambassador MATSUDAIRA and the other Ambassadors in Europe is seemingly represented by Ambassador YOSHIDA. And the opinion was in accord with the contents of the letter sent by Ambassador MATSUDAIRA. The opinion is that there is no need of recognizing Manchukuo in such a hurry at this moment; or it is all right to recognize the national sovereignity of China. After returning from abroad it seems that he (YOSHIDA) realized that it cannot be helped because of the pressing conditions at home. Yet he stated: "Even if MATSUOKA, Yosuke is appointed as a plenipotentiary to the League of Nations, probably the issue cannot be settled unless an elder occupy the chief delegate position. For that reason, both MATSUOKA and SATO are ardent advocates. And it seems as if their intention is to dispute the matter. However, it is not for these delegates attending the League of Nations to dispute the issue, but it is for them to settle the issue. For that purpose, there was an idea of appointing AKIZUKI to accompany this group. On the way home when I (YOSHIDA) met HERRIOT in Paris, I asked him, 'Will you exert all your effort in order to improve the general feeling and the relationship between Japan, and the U.S.A. and Britain?' In reply, he (HERRIOT) said: 'Gladly, I will do my utmost.'"

Later on, when Ambassador YOSHIDA conversed with MATSUOKA, Yosuke, he (YOSHIDA) advised MATSUOKA to accompany AKIZUKI. However, MATSUOKA angrily rejected his advice. Ambassador YOSHIDA said to me that he told

MATSUOKA: "Before you leave, you had better go to the insane asylum and take a cold bath."

I explained the previously mentioned matter to the Prince. Then, when I went to meet the Prince who was leaving for Kyoto, the Prince said: "In connection with that, there is a very interesting story. Once MATSUOKA called on me and said: 'By all means, it would be unfavorable to go without having any elders accompany us. Then, I must exert myself to the utmost to settle the problems.'

"As a matter of fact, when the Minister of Foreign Affairs (UCHIDA) called on me, he was eagerly saying: 'We must send an eminent man.' Since I thought he wouldn't take it too seriously, I jokingly said to him: 'How about selecting YAMAMOTO, Gombei, Admiral TOGO, or KIYOURA?' But it seems that UCHIDA took it seriously, for he said to MATSUOKA: 'Why not take Count KIYOURA along?' In reply, MATSUOKA said: 'It would be a better idea to send MAKINO, the Lord Keeper of the Privy Seal, instead. But by no means will SAIONJI permit MAKINO, the Lord Keeper of the Privy Seal, to attend the League of Nations. Since KIYOURA is a poor linguist, I won't go if I'm accompanied by KIYOURA. I'd rather go alone.' As expected, MATSUOKA intends to go there to settle the problems personally. MATSUOKA was saying: 'Should there be some suitable individual, I shall be pleased to have him accompany me; however, it would be distressing to have KIYOURA.'" Then, the Prince continued in regard to the Minister of Foreign Affairs, UCHIDA: "Really, UCHIDA is a difficult person to get along with. When he visited me some time ago, he said to me: 'We intend to conclude

a Non-aggression Pact with Russia,' So in reply, I said: 'That's very good.' And then, when he called on me recently, I asked him: 'What has happened to the Non-aggression Pact of which you were talking some time ago?' He replied as if the Non-aggression Pact was recommended by him saying: 'Things like that cannot possibly succeed since the Army does not recognize it.' Since such is the situation, it is really perplexing."

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Chapter 55
(1 October 1932)

Incidental Issues

Translated by Lieut. Khe-Bong Chiong

I went to the Premier's place on the 22nd of September. In regard to HAYASHI, President of the South Manchuria Railway Co., the Premier stated: "On account of the existing entanglements between the Company and the Army, probably it is difficult for President HAYASHI to return to Manchuria." When I asked the Premier what he was going to do about it, he replied: "The Minister of War recommended HAYASHI, therefore, the Minister of War should take the responsibility of settling the case. Probably the matter will be settled somehow." That the selection of HAYASHI as the President of the Company was based upon the recommendation of War Minister ARAKI was known for the first time.

When I met HATOYAMA, the Minister of Education, he stated: "Unless the present Cabinet voluntarily resigns in December, it will probably be hard to bring the Seiyukai under full control. The Minister of the Navy understood his. The other day, ARAKI, Minister of War, had discussed this matter with SUZUKI, the President of the Seiyukai, for four or five hours, but I have no idea what they decided, since ARAKI has not met SUZUKI since that time. If ARAKI will only agree on a voluntary resignation in December, the Army will be satisfied. That is, if in December the present SAITO Cabinet surrenders to the Seiyukai."

Then I said: "In viewing the condition of the last special Diet, I do not see how the Seiyukai can defend or explain itself in reply to the criticisms and blame of

the public. It is important, to create an atmosphere impressive to the public, that a political party such as the Seiyukai take a serious attitude in dealing with national affairs. I suggest that the present Cabinet go through one more Diet Session and then voluntarily resign. It is the easiest way to solve the whole problem, if during the coming regular session of the Diet, the Seiyukai can prove to the public that it is well controlled and taking a serious attitude in national affairs."

To my opinion, HATOYAMA replied: "Unless SAITO, the present Premier, has the full understanding that the Cabinet will go into the hands of the Seiyukai after the coming session, probably the entire problem will not be solved. Still it is important to impress upon all members of the Seiyukai that if this arrangement should be known by the public the government will be criticized by the Army, and the public might come out with: 'encroachment upon the supreme power' or: 'political party talks too much'. Regardless of which way you look at it, it is a most delicate matter. Of course I agree to your suggestion, but the question arises, whether the Seiyukai, with 300 members in the House of Representatives can be brought under full control."

After that, when I met the Justice Minister, he said: "A certain HOMMA, who is head-master of Shibayama private school and who was formerly a secretary to TOYAMA, Mitsuru, was apprehended. But before HOMMA was apprehended there were signs that MOCHIZUKI, who is under TAKEUCHI, Kakuji of the Kokuhonsha, and TAKAI, who is secretary to the old TANAKA, Mitsuji, were concealing HOMMA, so these men were apprehended and detained three or four days. HIRANUMA seemed to be very angry on account of this,

and for this reason, it seems that HOMMA is gradually loosening up. I think that this naturally had a little effect. Then too, TACHIBANA, Kosaburo was embezzling KOGA's money and it seems as through he was not only receiving money from OKAWA (Shumei) but sidetracking gift money. On account of such acts, as a matter of fact, he himself is in a very tight place. And there is evidence that when TACHIBANA, Kosaburo was going to Manchuria, Governor KIMISHIMA gave him a farewell gift of ¥200. On account of this the Governor was evidently greatly bothered later. HOMMA hasn't as yet talked very much, nor have HOMMA's two students from the Shibayama private school said anything in particular, but I think that they will start talking pretty soon. And I (Justice Minister) think that the Gas Incident will quiet down without growing bigger. Then in regard to the security of the coming large scale maneuvers to be held in the Osaka district, great care is being taken and preparations are being started, but there are approximately 130,000 Koreans in the Osaka district. And, if there are any dangerous characters among them I am thinking of throwing a number of them behind the bars."

On the night of the 22nd I was invited by Vice-Minister ARITA to the Horyu. Vice-Chief of the General Staff, OKAMURA, who had brought back the protocol from Manchuria, was also at the party and I listened to talk on various topics. The next day (23rd) I left on the 1 o'clock "Fuji" for Kyoto. By mere coincidence I met Vice-Minister of the General Staff OKAMURA, on the same train. Asking him of the various situations within the Army and in Manchuria, he said that of the 155 or 156

Japanese officials that had been sent into Manchuria, many of them were loathsome characters and he was wondering what would be best to do in regard to the bad character of these individuals. These men would be of the greatest hindrance and the cause of worries. And he further stated: "Immediate war with Russia or any other such irrelevant things naturally can't be thought of. But I think that at this stage, it would be best that both parties do not extend themselves."

When we reached Toyohashi, Prince KAYA and Prince TAKEDA boarded the train on their way to Nagoya. Granted an audience with them, both Highnesses asked that their regards be given to the Prince. Their Highnesses had been to Toyohashi to bid farewell to soldiers going to the front. I arrived in Kyoto and on the morning of the 24th met the Prince. Upon hearing my report on the general situation, the Prince said: "This afternoon, Imperial Household Minister IKKI is coming and in the evening MATSUDAIRA, Keimin." After completing my business I returned to my hotel and called on the Prince again the following morning, at which time the Prince said: "The Imperial Household Minister is evidently of a mind to resign, so I just said to him: 'It can't be helped if you are to resign, that is from the standpoint of the Household Minister alone. However, if an old man like TANAKA comes forth and says this and that about things which are unimportant, and if on this account the Minister resigns, that, in a word, would be breaking government discipline. And in regard to Imperial Household Ministry discipline, MAKINO and myself must bear considerable responsibility. Whether to resign or not to resign is

not a question of IKKI as an individual but something that relates to discipline, so sincere thought should be given to the problem." After hearing this, the Imperial Household Minister did not say very much in particular. As a result, it seems that Vice-Minister SEKIYA will have to resign. However, he (Vice-Minister) will probably have to resign along with the Minister."

(The Prince continued to say:) "MATSUDAIRA said various things, among them that: 'Speaking from KONOYE's point of view, Imperial family members should be prudent - - that is, it is of the utmost necessity that they take a discriminating attitude. At this stage the Emperor should think of some warning and I think it is necessary that he warn the members of the Imperial family a little. What do you think?' So I (Prince) replied: "Of course I am in favor of it but the words of reprimand and the manner in which they are uttered should be carefully planned or they will be the source of various other problems. Therefore, though I am in favor of it, great thought must be given to what they are to be reprimanded about and also to the time and perhaps to the various surrounding conditions. And also, yesterday, when the Imperial Household Minister came I said: 'MATSUDAIRA, Keimin came and said that he was worried about something in regard to the members of the Imperial family and that he wanted to see you at once," so when you (MATSUDAIRA) go back you might see KIDO and tell him what I have just told you."

The Prince, to my (HARADA) way of thinking, was trying to say: "I am in favor of action on this matter, but I will not give any instructions. The effect will

all depend on how action is taken and maybe it will have a bad effect, therefore great care should be taken."

The night before, when I went to call on MATSUDAIRA at the Miyako Hotel in Kyoto, I accidently met Secretary OTAKA, of the Foreign Ministry. He introduced me to Mr. & Mrs. Cottangely(?). Mr. Cottangely, who is an authority on Dutch colonial policy, was with the League Investigation Committee which had made a tour of Manchuria and was on his way back to Geneva via Siberia. But on account of bad rail connections, they were to sail back by boat via Canada. Therefore they had landed in Kobe and were to stay in Japan for three or four days before sailing. Secretary OTAKA had been sent by the Foreign Ministry to greet them and had brought them to Kyoto. When I had been introduced as "Secretary to Prince SAIONJI" various Chinese topics were discussed, and he said: "As long as the Kwantung Government continues to hold power CHIANG KAI-SHEK will, no doubt, not let go CHANG HSUEH-LIANG's hand. And among the people I met in China CHIANG KAI-SHEK stands out as the most brilliant. As long as China keeps utilizing American systems and ideas, and places weight upon them, I think that she will never become a self-sufficing nation. In my opinion, Chinese racial characteristics and present-day American ideas and structure will absolutely not blend. Japan has potentialities of becoming a big nation along with the various large nations of Europe. I think that everyone must understand that China just cannot be compared with Japan." And he said that he had been ordered (by his government) to make all haste to get to Geneva to attend the Assembly of the League (of Nations). I spoke of this conversation to the Prince.

I returned on the night train to Tokyo. KIDO came to my place and said: "The Maiyu Shimbun writes that you are the central figure, along with other members of the House of Peers, in discriminating against the Chief Secretary of the Cabinet." I didn't put much weight in the talk and threw it aside but there was a phone call from the Chief Secretary of the Cabinet, saying that he wanted to see me immediately. Two or three days later the Chief Secretary came to me and said: "I think you already understand the purpose of my coming to see you. I want you to please tell me what to do." Having already had a talk with the Agriculture and Forestry Minister, GOTO, I knew exactly upon what points I should warn the Chief Secretary. So I told him in plain words: "I naturally do not hold any grudge against you as an individual, but in my position I hear various things in regard to you from different sources. That is, people who are trying to support this Cabinet come to me and tell me in good faith, so as a matter of course I listen. I would be annoyed to have you think that I am holding a prejudice or plotting against you for such reasons." I then brought forth five or six main points and warned him for which he was thankful and returned home.

After that I went to the Premier and said: "As a matter of fact, the Chief Secretary came to me, so I pointed out this point and that point and warned him." The Premier was pleased and said: "I wanted to tell him but was unable to. So for your good self to have told him was much the better."

After that, in the afternoon, I met Navy Minister OKADA, and he said: "The other day I met the Premier

and when nobody was around he said: 'Unless you have some strong supporters in the Diet there is no possible way for you to carry on politics'. I knew that at some time he would abide his time and tell the Prince (such a thing)."

On the morning of the 30th, Mr. Cottangely came to bid farewell, at which time he spoke in regard to the contents of the Lytton report, saying: "All Japanese rights will be taken into consideration; especially, the 21st clause should be recognized. Only the powers of SUNG were not recognized. The only thing is that the recognition of independence does not seem right. Aside from that the contents are all favorable to Japan. Therefore, newspapers, believing the recognition to be bad got all heated up and blew their lids off. Before considering the contents, care should be taken not to create a bad atmosphere. Unless this is done, it will have a very bad effect on the next Assembly of the League. Things should be kept as quiet as possible. I would like to have you show an attitude of great appreciation toward the serious investigation carried on by the League Investigation Commission." I thought this a very kind warning and expressed my thanks.

In regard to the above, I went to the Foreign Ministry and told the Vice-Minister and the Chief of the Asia Bureau, and wanted to tell SHIRATORI about it also, but as he was out, I told TANI about it. However, it seems that it was already decided (to take this attitude) at a "big wig" conference, which had been held that morning. So I returned, feeling more or less relieved.

Incidental Issues

Even before Ambassador to Italy YOSHIDA returned to Japan, the talk about the Ambassador to the United States had long been controversial,but now the situation called for a quick decision. That is, the Foreign Minister as well as Vice-Minister ARITA had implored (Yoshida) time and again, but the only answer was: "I refuse." I heard from Vice-Minister ARITA that this was a very distressing situation and that he (ARITA) was going to the Lord Keeper of the Privy Seal to see what could be done.

I spoke of this situation to the Prince when he was at Gotemba. And he said: "Naturally, Ambassador YOSHIDA is the most suitable person."

As I had not met General OSUMI for quite some time I had him come with Ambassador YOSHIDA to the Kuwana. At that time Ambassador YOSHIDA was persistent in recommending Vice-Admiral NOMURA (for Ambassador to the United States).

Saionji - Harada Memoirs

Chapter 56
(8 October 1932)

Lytton Report in Tokyo

Translated by Miss Chito Isonaga

Later, when I met Ambassador YOSHIDA, he said:

"This cannot be told to outsiders but I am very grateful to my senior colleague, Foreign Minister UCHIDA, for his kindness in wanting me to go to the United States. Nevertheless, I told him (UCHIDA): 'First of all, I am not a suitable man to be sent there, and moreover, if you will allow me to say it, I cannot become Ambassador to the United States and follow your policies.' Therefore, in spite of repeated persuasion, I emphatically refused the offer."

On the following evening, I again had a phone call from Ambassador YOSHIDA and he said: "Up to now I have been repeatedly recommending Vice-Admiral NOMURA as Ambassador to the United States. I also have been commenting as to the choice of a man, but I have come to the conclusion that this is not wise and so will refrain from making any more suggestions as to whom to select to be Ambassador to America. Moreover, I shall also refrain from saying anything unnecessary. Therefore, please avoid repeating anything I say to the Prince (SAIONJI).

On the evening of the 1st, the resume of LYTTON's report was finally completed and it was decided that I should take it to Kyoto with me on the 2nd. According to the Foreign Ministry, as well as the newspaper reporters: "Nothing in connection with the LYTTON Report will be published until the morning edition of the 2nd. However, the Foreign Ministry will hand to newspaper

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publishing companies, the translation of the LYTTON Report but will request that no extras be published."

It was the general plan to handle the Report as quietly as possible but in spite of this, the Tokyo Nichi Nichi and the Osaka Mainichi published extras and criticized the LYTTON Report considerably. As for the evening edition of the various papers, they published the contents of the report saying: "It was obtained directly from our London Branch Office."

I left on the morning train of the 2nd and went to Prince SAIONJI's residence with the papers from the Foreign Ministry on that evening. After handing the papers to the Prince, I made a general report. Of course, the Prince was not very pleased at the various comments made by the Japanese papers.

As I was having dinner at his residence, the Prince said: "As I said once before, at the time of the London treaty, the cardinal point that will make it possible for Japan to securely hold its world position is for Japan to take the role of a leader, together with Great Britain and the United States. How can Japan find room to expand if she should, together with France and Italy, bow before the leaders. In connection with our country's future, Prince ITO, as well as I myself have never, since ITO's day, calculated on Japan as the leading power of the East nor on carrying out an Asiatic Monroe Doctrine. We have come thus far, observing Japan from a world standpoint.

"To solve the problem of the East, Japan will have to cooperate with Great Britain and the United States and through this means it will be possible for Japan easily

to solve the problems of the East rather than by an Asia Policy or an Asiatic Monroe Doctrine.

"One has to observe the general situation and then calculate on the path to be taken by the nation. I may not live very long but I intend to do my utmost for my country. Nevertheless, it is my sincere wish that the younger generation will consider these points carefully and serve the country."

The Prince further advised: "As for Prince KONOYE, I think it would be wiser if he should select a capable Chief-Secretary and continue a little longer as President of the House of Peers and then later accept a position as Premier or Lord Keeper of the Privy Seal, whichever is preferable. Should KONOYE become Premier or Lord Keeper of the Privy Seal immediately, it might result in his term of office being cut short.

Two days later when I called on the Prince, the newspaper comments on the LYTTON Report were very critical. The Asahi Shimbun for instance, had in large print: "The Cabinet Members Express Indignation at LYTTON Report at Cabinet Meeting." I (HARADA) became quite concerned over this matter, therefore I called the Premier and inquired: "Did such a thing occur?" The reply was: "No, there was no such thing. That is just a newspaper story and nothing like that ever happened." Upon hearing this I informed the Premier that the press comments were too severe and that it was undesirable to permit such an unscrupulous article to be published.

I mentioned this telephone conversation to the Prince and he said: "When a newspaper publishes articles

which are contrary to fact, the Government should make it withdraw the statement or else make it publish the true facts. It is not wise to leave matters as they are. Especially because this matter has an international bearing, one must consider it from the standpoint of the nation's integrity."

The Prince then continued: "This is an entirely different matter, but in connection with Mr. TANAKA's issue against the Imperial Household Minister, I have been hearing all sorts of stories that Mr. TANAKA has been continuing to make trouble, therefore I would like to know how much of it is true."

I called the Minister of Justice and the Chief of the Metropolitan Police, requesting them to keep close watch on the matter and after mentioning this to the Prince I returned to Tokyo. On the eve of my return, the 6th, I had an invitation from HAYASHI, the Grand Master of Ceremonies, to dine at the Kinsui. Upon my arrival there, I found that the other guests were: Ambassador DEBUCHI, Ambassador YOSHIDA, and Ambassador YOSHIDA, Isaburo.

We talked about various things and according to Ambassador DEBUCHI: "America has no intention of waging war with Japan."

In connection with the presidential election, (DEBUCHI) said: "HOOVER is not a promising candidate. It may be that the Democrats will win."

Moreover, all of those present were of the same opinion as the Prince (SAIONJI), saying indignantly: "It is very distressing to see the newspapers publish such unfavorable comments. The attitude of the War

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Minister in particular is very unpleasant. He does not consider the prestige, dignity nor honor of our country."

On the following morning, the 7th, I called on the Premier and notified him of the Prince's health, expressed the regards of the Prince and also gave him a brief summary of what the Prince said. Of course, the Premier was of the same opinion as the Prince and said: "When I was holding the additional office of Foreign Minister, I called together the members of the Foreign Ministry and said: 'I am a Navy man but the traditional rule of Japan's foreign policy has been to carry out matters in a modest manner. It is not the spirit of Japan's foreign policy to be reckless and arrogant in words and action.' I still think it is the same today."

That same morning, I called on the Imperial Household Minister and after discussing various matters, I departed.

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Chapter 57
(15 October 1932)

Tripartite Committee Proposed

Translated by Lieut. Taichi L. Nishihara

About eight o'clock on the morning of the 11th, I met the Premier and listened to his general policy in regard to the budget. The Premier said: "No new enterprises will be recognized other than those that appear in the budget already. Even in the budgets of the Army and Navy, only items which are definitely essential, will be taken care of. It is my intention to have a preliminary conference among the War and Navy Ministers, the Finance Minister and myself in order to reach an understanding and then present this to the Cabinet Council. There is talk of increasing taxes etc., but I believe that this will not be in time for the budget for the coming year."

I met the Navy Minister later and he said: "There are various stories such as: "The young officers at Yokosuka are committing reckless acts", and "the Navy is dangerous", but these are not true. The fact is that when the Combined Fleet entered Yokosuka recently the ward-room officers had class parties at various places and after excessive drinking committed some rash acts, and I believe that the Kempei and the police became alarmed and are saying this and that. There are no great problems at present."

Later, I visited the Minister of Justice and he said: "Because of the advanced age of the Home Minister, I believe that I shall act more or less as a substitute for him and go with the advance party of the escort for the Imperial trip to Osaka for the Fall Grand Maneuvers

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and make the various arrangements. There are some 130,000 Koreans in Osaka Prefecture. I am thinking of gathering the dangerous elements, and the so-called extreme-leftist terrorists of the Communists, and confining them in a certain locality. Therefore, the Yamashina and Nara prisons are being prepared for them."

The Minister of Justice concluded: "I would like to meet the Prince when I return from the Fall Maneuvers."

I visited Railways Minister MITSUCHI later and he told me what he had said to Finance Minister TAKAHASHI on the previous day. He said: "New estimates for the fiscal year 1933 will not be recognized. A sufficient amount was set aside for the 1933 budget for relief when the 1932 budget was set up. However, since there will be an exceedingly large amount of bonds issued and since I found that there would not be too great a need for it, I may make it considerably smaller." In other words, it seems that he is intending to reduce it.

In regard to the budget for the Army and the Navy, it is a very desirable thing to have the general outline decided upon through a conference among the War, Navy, and Finance Ministers and the Premier, as the Premier had suggested. Afterwards this would be presented to the Cabinet Council. The Finance Minister was also saying the same thing.

I met Vice-Minister ARITA of the Foreign Affairs Ministry later and he said: "The Army desires to make both North and South Manchuria the front line in thought as well as for defense. Since the Chinese Eastern Railway is a line which penetrates quite deeply

into Manchuria and is a base for the spreading of Communist propaganda, I believe that the Railway should be purchased so that this source of trouble would be eliminated.

"There is no basis on which to draw up a non-aggression pact at the present time, but there seems to be consideraole talk of setting up a composite committee including Japan, Manchukuo and Russia in order to avoid any great complications. This committee would be able to solve any problems arising over border questions."

I left for the Prince's place on the 12th, but as he was in bed because of a cold, I returned to the inn with the purpose of seeing him the following day. I met the Prince at ten o'clock the following morning and reported to him on the conversations I had had with the various ministers. The Prince seemed very tired and said that he would rest for another week or so.

The Prince also told me: "MATSUOKA came to see me yesterday, but of course, I did not see him. I had NAKAGAWA see him and MATSUOKA asked NAKAGAWA to convey the following message to me: 'As I said when I previously met the Prince at Gotemba, I would like to return after settling everything. Furthermore, when I met War Minister ARAKI he seemed to feel very strongly about the matter.' MATSUOKA returned after telling this to NAKAGAWA, but even in regard to the War Minister, there are points which are incomprohensible. I am thinking of verifying those points."

I returned to Tokyo on the night train on the 13th.

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Chapter 58
(22 October 1932)

Criticism of Harada

Translated by Mr. Haruo Kawashima

On the 15th, there was a phone call from SHIGA in Kamakura saying that he wanted to see me on urgent business that morning. So I replied: "Inasmuch as I am going to KONOYE's place in Kamakura on the 16th I will call on you at that time." And so saying I opposed his coming and went to KONOYE's place on the 16th and had lunch with him. Speaking to him on various subjects it is evident that a portion of the Army is raising a great fuss, just as SHIGA had stated in his phone call. About 2:30 that afternoon I visited SHIGA at his place and listened to his comments on various topics. I learned thus that much publicity is being given to the fact that UGAKI, Governor-General of Korea, is resigning and returning to Tokyo to start up some kind of political movement. And because of the fact that UGAKI and I are from the same native town great precautions are being shown in some quarters. On the other hand, in regard to carrying out Army affairs, he (UGAKI) will discuss them with SHIRATORI of the Foreign Ministry or other very close friends. And perhaps too, because I have a tendency to "call down" important military figures regardless of their rank, I may anticipate much antipathy from such men as Major-General OBATA, who is attempting to support the so-called pure ARAKI. Then too, SHIGA warned me in various respects that I was beginning to be watched because of OBATA's comments: "Don't let HARADA go to see KONOYE", and "What HARADA says is of his own contriving because

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SAIONJI himself does not have any opinions. HARADA who is close to SAIONJI goes around saying things at random, stating that they are the opinions of SAIONJI." Then SHIGA said to OBATA: "HARADA and KONOYE have been on very good terms for a long time. For you to say that HARADA should not go near KONOYE is to call for the impossible. As long as he is staying close by the Prince and doing various things, there is no way to prevent him from keeping in touch with Prince KONOYE." Then through good will, SHIGA warned me, saying: "I want you to keep it to yourself that I said such things to you, otherwise it will be thought that I doublecrossed someone."

I then returned to KONOYE's place and talked of various things. And both SHIGA and KONOYE were of the opinion that whatever the ARAKI party may be planning, they seem at present to have completely stopped thinking of making ARAKI the Premier immediately. They seem to understand at last that the time is yet unripe. Whatever the future may hold, it looks as though the Army will not create a revolt at present. After having supper with KONOYE, I returned home.

The following day I had lunch with Lieutenant-General MATSUI and after talking about various things, the subject of the military came up, and MATSUI said: "I too, think that the Vice-Chief of the General Staff is of no use, that is, I think he is unsuitable. And although it cannot be helped that the War Minister is kept (in office) the Vice-Chief should be changed. So I am going to speak with ARAKI and try to take over the position from MAZAKI. And the present Commander-

in-Chief of the Kempeitai, HATA, is also an unpleasant character, so I am thinking of asking ARAKI to change him also." After raising various points Lieutenant-General MATSUI emphasized that it would be distressing if the Army did not use a little more common sense. He continued: "It doesn't matter, so after this why don't you go to ARAKI directly and speak to him of various things. I thing that that would be better."

So saying, MATSUI warned me; naturally I (HARADA) would go to see him (ARAKI) once in a while but at present KONOYE was keeping in touch with War Minister ARAKI so, as far as possible, I wanted to stay away and to hear things indirectly through KONOYE. For the reason that I am being misunderstood on various matters, and that the younger set were saying this and that, I have often thought of meeting War Minister ARAKI directly. From MATSUI's talk it seemed as though relations between the Foreign Ministry and the War Ministry were not very smooth. For instance, in regard to the question of whether to send DEBUCHI as Ambassador to the United States again, the Foreign Ministry was handling it as if it were an ulcer, afraid that the Army would be opposed. In their (the Foreign Ministry) opinion, the Army would absolutely not agree to sending DEBUCHI again, and they were in much fear of touching upon the question. The Foreign Minister and the Vice-Minister evidently did not want to negotiate with the Army directly. Therefore, in regard to this matter, I said: "I'll act as mediator and ask them (Army) for you."

So, in regard to the DEBUCHI question, I approached War Minister ARAKI and inquired. ARAKI said: "Naturally

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the Army does not have any objections. DEBUCHI is all right. As a matter of fact, DEBUCHI, with all his previous experience and after returning to Japan and coming to understand the various changed conditions, should not make the same mistakes that he made previously. He should start out anew, therefore I (ARAKI) do not see anything wrong with DEBUCHI." So saying, he cleared up the question lightly. Thus, it was definitely decided to send DEBUCHI as Ambassador to Washington again.

Thus, in regard to any such questions, the Foreign Ministry held only its own views and had a tendency to steer away from directly touching or forcing any issues. In this regard, Lieutenant-General MATSUI was perplexed and said: "It is a very distressing thing." Hereafter, since I (HARADA) am on friendly terms with ARITA and Count UCHIDA, I will try to stand as a middle-man and exert my efforts.

On the morning of the 19th, I met the Premier and he said: "I have not paid a visit to the Prince for quite some time. How has he been recently? At the time I received the Imperial Command (to become the Premier) things were in quite a muddle but gradually the entire atmosphere is clearing up. I think that every question hinges in general on the element of time. Therefore, in regard to the League (of Nations) problem, there is nothing to do but wait. Furthermore, I will endeavor to alleviate the situation gradually."

That afternoon, upon the request of my children, we went to Yokosuka to see the battleship ATAGO. And while there I called on Commander NOMURA at his official residence and talked on various things. After returning

(to Tokyo) in the early evening I left Tokyo on the night train. The following morning I arrived in Kyoto and called on the Prince about ten o'clock. The Prince was out of bed and sitting up in a chair. After talking with him about an hour, I returned to my hotel and thence returned to Tokyo on the evening train. After returning to Tokyo I phoned to Kyoto and heard that the Prince has suddenly contracted a fever that afternoon.

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Chapter 59
(29 October 1932)

Franco-Japanese Alliance?

Translated by Miss Miwako Yanamoto

I called Dr. KATSUNUMA by phone and inquired about his (Prince SAIONJI's) condition. He replied: "He requires a great deal of care. I shall stay over for a while and watch developments." He also said: "I would like Dr. MIURA to come also for precaution's sake." However, the Doctor said that he had many matters to attend to and did not give a definite answer. It was finally decided that he would come for an examination on Sunday.

I was handed a very inflammatory piece of slanderous literature against the Lord Keeper of the Privy Seal and Governor-General UGAKI, sent in the name of an officer of the Imperial Army. It was sent around to all the big cities like Kyoto, Osaka, Nagoya and Tokyo and it was passed out chiefly to the young officers. The Metropolitan Police Board and the Procurator's Office were piling caution upon caution and have begun a man-hunt.

I met the Premier on October 25th or 26th and discussed various matters. However, there didn't seem to be anything special to duscuss. The only thing was that Mrs. Wilson, widow of the former President of the United States, was visiting in Tokyo. The last time she visited Japan she received a tremendous welcome. This time there wasn't anyone to welcome her warmly, and the Foreign Minister was bothered about it. I had been requested by many: "Please urge the Premier to sponsor a tea party in his wife's name, even for only a short time." When I relayed this message the Premier agreed to it immediately.

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Franco-Japanese Alliance?

On the 26th, I went to the Finance Minister's place in the afternoon, and saw him for the first time in a long while. He was very cheerful. The Finance Minister said: "The fact is, my health was very bad also and I was worried about it. However, while I was at Hayama my health improved gradually. Now it seems that there's very little wrong with me.

"While I was at Hayama, MITSUCHI, Minister of Railways, visited me in the Premier's stead. He said: 'The Emperor questioned the Premier about a point that was worrying him; it was that the Army has made a very big demand at this time when finance is very difficult. Can the matter be handled skillfully? Just how will it affect the finances of the nation as a whole for the Army to submit such a tremendous budget in such times as these? Is it safe? That is why I (MITSUCHI) have come to visit you at the Premier's request.'

"I (Finance Minister) replied: 'Just how does the Premier intend to proceed in the future, now that the extraordinary session of the Diet is over? A statesman must have his own ideals. However, judging from the recent situation, if he feels that he has already fulfilled his pesponsibilities, there is no need for me to remain in my position and attend the next Diet session. If the ideal of the administration is to secure the peace and the happiness of the people, I do not think that present-day conditions can possibly give the people peace and happiness. Speaking from the standpoint of finance or from any standpoint, this uneasy situation must be terminated. In any event, I shall think it over further.' We parted after this.

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"Later, Premier SAITO visited me at Hayama. At that time, I (Finance Minister) told the Premier what had been said, and he agreed cordially. This morning the War Minister came, and we discussed various matters concerning the budget. He is a man who understands very well when you talk to him. I think that I shall train him gradually into a statesman. I warned him both directly and indirectly not to forget his responsibility of handling the compilation of the budget from the standpoint of a Minister of State. Lately we do not forget our positions as administrative officials. However, as Ministers of State, it is only proper that we compromise and direct the compilation of the budget in a way that it is reasonable from the overall standpoint. I cautioned him both directly and indirectly on this point."

I (HARADA) told him that there was talk of a Franco-Japanese Alliance, both within the Army and within a part of the Foreign Ministry. I gave him various facts, but the Finance Minister was greatly opposed to the idea.

After I left the Finance Minister's official residence, I went to the Foreign Ministry and met the Foreign Minister. He told me his reasons for disapproving the Franco-Japanese Alliance. He said: "It does not go to the extent of a Franco-Japanese entente. However, at the Assembly of the League of Nations, we approached HERRIOT, French Premier, and asked: 'To what extent can you support Japan?' France replied: 'We cannot go against the spirit of the Treaty. Otherwise, we will help in every sense.' Generally speaking, it seems quite certain that there is a friendly atmosphere."

This Franco-Japanese alliance discussion originated

two or three years ago when KITA, Kazuteru distributed written material among the military personnel and went around to different places lecturing on the subject. During the past month or two the matter has become quite a problem. I went to see SHIRATORI, Chief of the Information Bureau. He said: "The fact is, KITA, Kazuteru came over the other day and expressed his Franco-Japanese alliance views enthusiastically. I stated that it was very reasonable when looked at from the viewpoint of foreign relations and encouraged him highly. He said: 'I would like to meet UCHIDA, Foreign Minister.' I asked the Foreign Minister: 'Why don't you meet him?' However, he declined to do so. KITA also said: 'IKEDA, Seihin of Mitsui is putting up 10,000,000 yen from Mitsui and is going to France himself to create an inclination toward a Franco-Japanese alliance. ARAKI, War Minister, approves of this highly. Etc.'"

I dropped into ARITA, the Vice-Minister's room (Foreign Ministry). I told him what SHIRATORI had said. He said: "I have met IKEDA, Seihin but KITA is inventing a story; IKEDA himself has no such ideas. Not only that, he has absolutely no intention of putting up such a huge sum as 10,000,000 yen." I heard from ARITA that HIRANUMA, Vice-President of the Privy Council, had expressed his approval of this plan and that he had various connections in regard to it. I phoned Mitsui's from the Vice-Minister's room, and departed to meet IKEDA at Mitsui.

According to IKEDA's story, first of all, KITA, Kazuteru came to visit IKEDA. He said: "A Franco-Japanese alliance is a necessity against England and the United States. It is unfavorable that Japan stands alone. Since it is said

that various connections would be very advantageous if made with France, there is need to try an economic coalition first. Following that would come a Franco-Japanese alliance." IKEDA re lied: "Such a Franco-Japanese economic agreement is almost impossible. Not only that, I am not an official, and there is no call for me to be forward in such matters. That is impossible." He dismissed the matter with a laugh.

Then one day HIRANUMA, Vice-President of the Privy Council, phoned IKEDA. He said: "Won't you please come over?" IKEDA visited Baron HIRANUMA. He (HIRANUMA) said: "I do not like KITA too much. KITA does not like me very much either, and he comes over only about once in three years. However, he came over the other day, and I heard his opinion on a Franco-Japanese alliance. It has a great deal of merit. According to what I hear, Mitsui is putting up 10,000,000 yen, and you are going to France. This is wonderful. Won't you please go by all means? Since the viewpoint of the Government and the Genro (Prince SAIONJI) has been ascertained, won't you make a strenuous effort?" His encouragement was strong.

IKEDA replied: "That is not true. Naturally, I told KITA, 'It is out of the question.' As for myself, I shall think it over further if the Government and the people, and perhaps the Genro, say: 'By all means go.' However I have no such idea at this point. I shall consult further about this but...." And he returned home.

At Mitsubishi, IRIGA, FUKUI and IKEDA discussed the matter. The result was: "If the Government orders, 'Go,' let us serve if the amount required is not too great." IKEDA's thought was, that if the idea was: "Go and use about

two or three million yen to manipulate the newspapers in Paris when the League of Nations opens," it might be feasible. Naturally, he was not thinking about the Franco-Japanese alliance. He (IKEDA) said: "Probably KITA's going about and making various statements brought about a that result."

He was told to ask ARAKI, War Minister, about it also. ARAKI brought up the same sort of story, and urged IKEDA very strongly. At the Cabinet meeting, ARAKI, brought up the subject of a Franco-Japanese alliance and asked UCHIDA, Foreign Minister, about it (IKEDA's visit). Count UCHIDA said: "I know nothing about it." After the Cabinet meeting, IKEDA, Seihin was called into the Ministers' room and questioned about various matters. It turned out that the whole story was a phantasy and that the plan was entirely impracticable.

The facts are as stated above. However, SHIRATORI and a group in the Army maintain: "IKEDA, Seihin has the money ready and is determined to go, but the leaders of the Foreign Ministry have checked the France-Japanese alliance discussion. The leaders of the Foreign Ministry are acting outrageously." This viewpoint was strong.

I invited YOSHIDA, Ambassador to Italy, and SHIRATORI to Kuwana. We discussed various matters while we dined. SHIRATORI supported the Franco-Japanese alliance project in every respect. Ambassador YOSHIDA was, of course, opposed to it, but at that place, we did not go beyond listening to SHIRATORI's story.

Even if a Franco-Japanese alliance were made, an atmosphere opposing England and the United States would still arise. It is impossible to think that France would stick with Japan until the end against England and the

United States. Japan would stand alone. In order to become fundamentally the Japan of the world that Prince SAIONJI thinks about, she must proceed together with England and the United States, using them and being used by them. Unless this is done, Japan cannot secure an international position as the Japan of the world. The great majority thought that the Franco-Japanese alliance discussion should be buried as an absurdity; thus, the matter didn't make much headway.

Departing on the night of the 26th, I went to Prince SAIONJI's place on the morning of the 27th. I told him what had happened since the other day, and reported the particulars on how the Franco-Japanese alliance duscussion began. Naturally, Prince SAIONJI had thought the matter very strange, and it seemed to reassure him to find out about its origin. I said: "KONOYE would like to go abroad for a visit." I had told him (KONOYE): "You must ask Prince SAIONJI his opinion about going abroad before you decide." He had replied: "Please ask Prince SAIONJI for his opinion."

When I told Prince SAIONJI about this, he said: "If he really wants to go, I think this is a very good opportunity, and it is also necessary. As he travels abroad, he can exchange opinions with the Ambassadors and Ministers residing abroad. I think that it is very necessary for him to do this. The only question is whether or not he will resign from his position as Vice-President of the House of Peers before he goes. Shouldn't he consult the President (of the House of Peers) about this and then make his decision?" I replied to Prince SAIONJI: "I shall make the preparations for him in con-

nection with the Foreign Ministry." Prince SAIONJI seemed to approve of the matter in general.

He stated: "MATSUOKA, Plenipotentiary Representative, has sent me a telegram. Please send him a reply." I phoned the Foreign Ministry immediately from Kyoto, and sent a return telegram. I saw that Prince SAIONJI's illness was turning towards recovery, and returned to Tokyo the next morning. The next day at noon, KONOYE, KIDO, ARITA and I gathered at Kuwana, and consulted on various matters. When matters had finally reached this stage, KONOYE hesitated somewhat, saying that he wasn't quite sure of his health.

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Chapter 60
(5 November 1932)

Finance vs. Defense

Translated by Lieut. Taichi L. Nishihara

I met Navy Minister OKADA on the 1st of November. He said: "I would like to talk with you at leisure about the Seiyukai problem. I am very concerned over it. I wonder just what Prince SAIONJI thinks about it. I think that there will be some trouble at this session. In short, President SUZUKI has no power to control; it is very difficult for him to maintain control of the Party. Men such as KUHARA, who dislike President SUZUKI, are coming into power again. They are planning to carry TOKONAMI into power, as President of the Seiyukai, and are spreading propaganda such as: 'We will allow him (SUZUKI) to end this session safely, but when it ends he will resign voluntarily', and: 'TOKONAMI will come into power.'

"However, I don't think that this Diet session will end so simply. If something goes wrong Premier SAITO will be politically ruined. Therefore, even if the Diet should be dissolved, it is problematical whether the outcome of the general election will be favorable to the Cabinet. I am very deeply concerned over the matter and I would like to confer with you once more. I believe that it would be advantageous if we could arrange a secret meeting between President SUZUKI and Premier SAITO; what do you think?"

I replied: "We shall meet again, but Prince KONOYE and President SUZUKI had a conference two or three days ago and we should know the results of it. The three of us should meet once and confer. I shall convey

your anxieties to Prince SAIONJI, but it may be difficult to know clearly the opinions of Prince SAIONJI at this time."

I left the Navy Minister's place and went to meet Finance Minister TAKAHASHI. I spoke with the Finance Minister on the matter of the national policy that the War Minister, ARAKI, is said to have shown KONOYE, when KONOYE met him on the previous Sunday. He seemed very well informed on this matter of national policy for he had already spoken at length with the War Minister with the intent of instructing him.

This National Policy, which ARAKI is said to have shown to KONOYE, is as follows:

A. Execute an emergency policy for increasing national strength for two years.

B. Consider whether to attack Soviet Russia within the two years or not.

C. Plan the perfection of military preparedness and national defense within the two years.

Another item was the promotion of friendly relations between Japan and the United States and the furtherance of international goodwill.

ARAKI seems to have discussed this matter with Finance Minister TAKAHASHI; he (TAKAHASHI) said: "The War Minister ARAKI talks about the execution of emergency policy for two years, but it cannot be fully executed in just two years. We must consider that it will take four or five years. Furthermore, the matter of whether to attack Russia or not is not a matter of observing Russia from Japan, but of actually investigating Russia herself. Whether the present form of Communism will be

carried on or not is not a great problem in itself. With the rise of heavy industries and many changes in the arts and in organization, we find that there is a marked difference in the skills of people. Moreover, if there should be a great difference in such things as remuneration of labor, the need for a system of capitalistic private ownership arises. For these and other reasons, I cannot believe that the present form of Communism will continue very long. I have also spoken to ARAKI of the fact that Russia herself is expressing such tendencies."

"Again in the problem of the cost of national defense, no matter how complete the national defense should become, it would be of no avail if it should endanger the essential financial structure. In other words, danger to the nation is more important than defects in national defense. Therefore, it would not do to be absorbed only in military preparedness without carefully considering the financial situation. I spoke of this matter at length with him, so if the national policy, etc. should be brought up before the Cabinet meeting, ARAKI will come to confer with me. At that time, I will explain clearly and do something which is as close to our propositions as possible." I listened to these and other opinions and left the Finance Minister.

In the evening of the same day I met the Minister of Justice. At that time, he was announcing the circumstances of the arrest of 14 or 15 of the leading representatives of the Atami district when they conducted a round-up of Communists three or four days ago. I also met the Imperial Household Minister on the way back so

I conveyed the fact that there had been a discussion of him in the following words: "The Prince says that the Imperial Household Minister is free to act, however, the problems that would result are important and it would be a very difficult situation if he should resign and not leave matters secure. Also that it would be much better if he did not resign." It seems as if the Imperial Household Minister plans to install justice Minister OYAMA as the Imperial Household Minister. The plan also seems to include the selection of a Vice-Minister from within the Ministry itself.

I reported these and like situations to the Prince at Kyoto on the morning of the 3rd of November. He said: "I had thought of mentioning this previously but I refrained from it. Recently, mr. Kunisuke OKAZAKI met President SUZUKI and he asked: 'Is there any hope of the Seiyukai coming into power?' The reply was: 'No, at the present time there is absolutely none. However, our one hope is in the story that Navy Minister OKADA will endeavor to do something so that the Seiyukai will come into power. That is our one hope.' OKAZAKI should cease to say these things for OKADA may be greatly inconvenienced." This story dove-tailed with my report and he seemed to very dissatisfied at these unbecoming words and actions of Mr. OKAZAKI.

On the matter of the Imperial Household Minister, I reported the following: "Imperial Household Minister IKKI asked me: 'I wonder whether the Prince is opposed to OYAMA or not,' so I replied, 'If he is your selection, the Prince will probably not oppose it." When I mentioned that the Imperial Household Minister

plans to select a Vice-Minister from within the Ministry, the Prince said: "That is only the talk of men within the Imperial Household Ministry, and ARITA, Hachiro particularly, does not understand the situation. It has always been my opinion that only by bringing in outsiders will the reason for the existence of an Imperial Household Ministry which is in conformity with the times be realized. Actually, KIDO and HIROHATA are not outsiders and this proposal of not bringing in outsiders, and of attempting to fill the posts from within the Ministry shows that the Imperial Household Ministry itself does not realize the danger of its own destruction. By doing things with persons who know nothing of the world, it would lose the reason for existence. It is very annoying that the men in the Imperial Household Ministry do not realize this."

The Prince also cautioned: "This is another matter, but recently, many organizations have been initiated which have some relation with Manchuria and they seem to be gathering money from various sources. I wonder if all that money is going into the hands of the Army. Because many fraudulent organizations are being started, using as justification the problems of the military and of the Manchuria-Mongolia matter, men such as the War Minister must exercise control over these reckless organizations and not permit them to become dominant."

Thereafter, the Prince gradually recovered from his illness and I was entrusted with the arrangements for his desired return to Okitsu on the 8th. He desired this because he felt that it would be less troublesome to the local authorities at the time of the trip of the Emperor

to the Kansai region on the 10th. Therefore, I left on the night of the 3rd and returned from Kyoto.

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Chapter 61
(10 November 1932)

Seiyukai Maneuvers

Translated by Lieut. Taichi L. Nishihara

I returned on the fourth and since Mr. KOKURA of Sumitomo had invited Ambassador DEBUCHI to the Kintanaka, I went to dinner there. I listened to the various views of Ambassador DEBUCHI, who had returned from Manchuria. The Ambassador praised General MUTO, saying: "He is a very understanding man." In other words, it appeared that he was prepared to work earnestly upon his return to the United States with a new conception of the Manchurian problem.

On the morning of the fifth, I met the Premier and we discussed the resignation of the Imperial Household Minister. The Premier was very strongly against this unreasonable action, for he said: "When I attend the Grand Maneuvers in Osaka, I will talk at length with the Imperial Household Minister when I have an opportunity."

On the evening of the seventh, I met the War Minister at his official residence. His views ran in the same vein as the plans he had shown KONOYE. He said: "The Finance Minister has a good understanding of those things and we must continue emergency provisions from the point of view of national policy for two or three years. We must decide whether we are to attack Soviet Russia within this time or to convene a Far Eastern Conference and invite the participation of England, the United States and France, who have vital interests in the Far East; if at this time, we could convene a Peace Conference among Japan, Manchuria, China and Russia and arrive at

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an agreement not to spread Communistic propaganda, it would be very advantageous. If the security of our neighboring nations should be disturbed by Communist propaganda, Japan must inevitably go to war. Within these two or three years, we must perfect our nation's defence, that is, we must complete preparations and assert our nation's intent by show of force, whether in peace or war, lest other states make light of us. Furthermore, in regard to Japanese-American relations we must continue with good will as our keynote and also continue diplomatic relations with other nations along the same line. Finance Minister TAKAHASHI understood me very well, and after all he is a splendid man, so I am listening to his views."

The War Minister went on: "In view of the present national situation, a budget of ¥2,500,000,000 to ¥2,600,000,000 is reasonable. The present situation differs from that of the past when ¥1,000,000,000 or so sufficed, so the present budget is not unreasonable. Furthermore, I believe that this can be had without overburdening the people. I consider that a considerable amount of revenue can be obtained from Manchukuo if we demand it. The Finance Minister wishes to hold the combined Army-Navy budget to ¥800,000,000, but an increase of ¥200,000,000 is desired. However, at the present time no estimate of the outcome can be made. In general, an outline for the budget has been made rather smoothly."

I had invited the new Ambassador to Russia, Mr. OTA, Ambassador YOSHIDA and three or four others to Kuwana, so after having dined there that evening, I left for Kyoto on the 9:25 train. I arrived at eight the next

morning. I went to the Prince's residence at 9:30 and reported the general situation. I accompanied the Prince on the 10:30 train from Kyoto and arrived at Okitsu in the evening. I returned to Tokyo on the same day.

I reported these incidents to the Prince. Some papers had reported: "YAMANOUCHI, Kazutsugu is to become a Privy Councillor." This question had been previously raised at Kyoto, so I had asked the Premier: "Are you really making YAMANOUCHI, Kazutsugu, a Privy Councillor?" The Premier replied: "That is my plan." I then said: "YAMANOUCHI has always been a representative of the Satsuma clique. Now some people are criticizing the SAITO Cabinet by saying it's a Satsuma clique Cabinet or a Cabinet which is tracing Count YAMAMOTO's line. When such wrong criticism is rampant, to make a man like YAMANOUCHI Privy Councillor will provide another opportunity for obstinate criticism and attack along the lines of : 'See, it is just a puppet of the Satsuma clique, a puppet of Count YAMAMOTO.' It would put the Cabinet at a great disadvantage in this political season."

To this the Premier said: "The fact is that the story originated between the Chief Secretary of the Privy Council and the Chief Secretary of the Cabinet. The man the Chief Secretary of the Privy Council, FUTAGAMI, recommended to the Chief Secretary of the Cabinet, SHIRATA, by saying: 'The President and the Vice-President of the Privy Council are of the same opinion, was none other than YAMANOUCHI."

I said to the Premier: "This is an outrageous story. Chief Secretary FUTAGAMI knows very well that, if YAMANO-

UCHI, Kazutsugu were to be recommended as a Councillor by this Government, the groups bearing ill-feeling against the Government will gladly use it as the subject of their attack. Of course, Baron HIRANUMA is of the same opinion. This may be a very impudent surmise, but I have encountered such methods many times. It looks like making overtures to Count YAMAMOTO on the surface and also at the same time, since Mr. YAMANOUCHI is the selection of the Cabinet itself, trying to entrap the Cabinet. I believe that the plan can be well defined by the epigram: 'Killing two birds with one stone'." I also advised him to be very cautious."

I talked with the Chief Secretary on the way home along the same lines and in particular told him: "Such a selection and its reverberations among the people are a matter upon which you could have consulted with two or three of your intimate Cabinet colleagues or your own friends. Why didn't you do it?" I related these incidents to the Prince and it seemed that the Prince agreed with my views.

Then I returned to Tokyo and met with the Navy Minister. He said: "In recent talks between Premier SAITO and President SUZUKI, a tacit understanding was proposed to the effect that the Seiyukai was to cooperate to the fullest with the Government, and thus to deal with things smoothly throughout the forthcoming session of the Diet. However, Premier SAITO is not willing. This is because both Minister TAKAHASHI and Minister YAMAMOTO are so powerful. There is a determination to gamble on the dissolution of the session and the Premier seems to be impelled by the strong force of these men so it is

impossible."

To this, I replied: "Well, unless we observe things a while longer, we cannot say whether it is impossible or not." The Minister said: "To my way of thinking, dissolution is one method, but when I think of what will come later, I am very worried." The anticipation which worries him appears to be that once the Seiyukai split, men such as SUZUKI, HIRANUMA and ADACHI will get together and join with the Army. If this should happen, the effort expended to return the situation to normal would suffer a sudden reversal.

In the afternoon I received a call from Minister of Education HATOYAMA and he said: "I would like to see you. If you are free tonight, let us have dinner together." So on the ninth, I had dinner with HATOYAMA at the Horyu at six o'clock and we spoke of many things. He believed that Navy Minister OKADA had been negotiating with the Premier and that the Premier had been communicating everything to the President of the Seiyukai. HATOYAMA was told by the Navy Minister yesterday: "In collaboration with the Seiyukai, it will not be possible for the SAITO Cabinet to go through smoothly." HATOYAMA was told to end all negotiations with Admiral OKADA and he was very much startled. He was very resentful toward the Premier, for he thought that the Premier had acted as if he was cognizant of the whole affair from the beginning. HATOYAMA said: "I have been a Cabinet colleague of the Premier with the greatest respect for his character, but if it is that way, I do not desire to serve in the same Cabinet with him."

I calmed him down by saying: "There is no need to

be so hasty. We cannot tell how things will change and what new situations will arise, so instead of giving up, let us wait a little longer and see how things develop." I also told him: "It may be something that the Premier did not necessarily know of." But I thought that it would not be desirable to defend him too much, so I spoke with him very extensively and returned home about 8:30.

I visited the Navy Minister at his place on the morning of the tenth and told him all about my conversation with HATOYAMA. I told the Navy Minister: "You must clear up his misunderstanding or Premier SAITO will be greatly annoyed." The Navy Minister said: "At any rate, I shall meet HATOYAMA at the Grand Maneuvers so I will have a long talk with him then."

On the evening of the 10th, after having concluded Buddhist services for a relative, I had Minister of Agriculture and Forestry GOTO come over. I spoke with him until past twelve on the various matters of the day. Minister GOTO appeared to understand the overall situation very well.

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Chapter 62
(16 November 1932)

Dr. Minobe Consulted

Translated by Lieut. Taichi L. Nishihara

On the 11th, I visited KONOYE at his place in Kamakura. I spoke with him on various matters and on the way back I visited MOMI. Concerning KONOYE's foreign journey, he said: "I will give it every consideration," and did not give a definite reply. On the 13th, when I went to play golf with INOUYE, Saburo, he to told me that SUZUKI of the Army, upon his return from China, had said that he planned KONOYE's foreign journey in order to split KONOYE and the Army. INOUYE told me: "He was saying that HARADA was still trying to protect UGAKI."

Of course, KONOYE's trip was his own plan, something we had nothing to do with. Prince SAIONJI himself had told me repeatedly: "If it is not of his own free will, it might be very bad to encourage him." The Ministry of Foreign Affairs was very elated over this trip of KONOYE's and was waiting for it to materialize. I had heard these views often from Minister of Foreign Affairs UCHIDA.

On the evening of the 13th I went to Shizuoka, met Prince SAIONJI on the morning of the 14th, and related all of the recent incidents. The Prince was still of the opinion that even if we make plans and promises now, we cannot tell how things will turn out, so we had better wait a while longer and see.

There was nothing of great importance, but I listened to the various views of the Prince and left him around

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noon. I left Shizuoka on the one o'clock train. That evening I had dinner with HOSHINO, who had returned from Manchuria, and several section chiefs of the Foreign Affairs and Finance Ministries. HOSHINO was very optimistic about matters in Manchuria. He said: "Manchuria is a nation with a favorable balance of trade so it is a certainty that increasing amounts of money will be available."

At noon of the following day, I invited Dr. MINOBE to the Tokyo Club and I also had KIDO, YOSHIDA, Shigeru and TANI, the Chief of the Asia Bureau come. We had a two-hour conference there, the first in a long time.

Dr. MINOBE had many opinions as to the reform of the Diet, particularly as to a reduction in the number of members of both the House of Peers and the House of Representatives. On the present state of the government I talked to the Doctor and listened to his opinions. Although he too was worried over the corruption of the political parties and the despotism of the military, I told him that there were signs that things were turning for the better gradually. Then we parted.

Then there was a phone call from the Premier asking me to come over so I did. He said: "I would like to visit Prince SAIONJI at Okitsu on the 19th." I made arrangements so that there would be a meeting on the 19th.

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Chapter 63
(6 December 1932)

Army Balks Konoye

Translated by Lieut. Taichi L.Nishihara

On the 20th of November I went to Okitsu. Prince SAIONJI said: "The Premier came to see me yesterday and he seemed well. As a matter of fact, Premier SAITO himself said: 'I feel much better today - better than I did at our previous meeting.' I told him: 'In view of the situation, a large budget has been set up. I fear that this may impose a great burden upon future generations. You must be very cautious not to start something which would grieve them.' The Premier then replied: 'The Finance Minister is also giving it thought.' I further warned him: 'I have been an advocate of dissolution from the first, but the views of the Army reservists must be thoroughly considered first, or things may come to a nice pass if they should become active at the time of dissolution'."

I also conveyed Imperial Household Minister IKKI's message to the Prince. It was "The Emperor was ill during the Grand Maneuvers and we were very concerned at the time of the final review. However, the Emperor insisted upon attending it at any cost, having regard for military regulations, so he participated. From that day on, however, he improved and we are very glad that he has recovered completely."

KONOYE had been considering his trip for a long time and in the morning of the 19th he said that he would come. However, I was just starting out myself, so I visited him. He said: "I had an examination by Dr.

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MIYAKAWA and he told me that a trip abroad would be good for my health, so I decided to go. I want you to tell the Minister of Foreign Affairs. The Army is very suspicious so it would be useful if the Army's SUZUKI would accompany me."

I then visited the Minister of Foreign Affairs and explained the decision of KONOYE. I told him of KONOYE's wish to have SUZUKI accompany him abroad. The Minister told me: "Please see Vice-Minister ARITA about the matter of a person to accompany him." I thought that it would be better to consult with SHIRATORI first upon the situation in the Army, so I went to his room but he was not in.

About noon KONOYE called and said that he would like to have dinner with me. I thought that it would avoid further complications if I spoke to SHIGA of KONOYE's journey, so I told KONOYE of this and accompanied him to Kamakura.

I started to tell SHIGA of KONOYE's decision but he interrupted and said: "That matter has already been decided. Prince KONOYE has decided that he will not go. It is not probable that Prince KONOYE would say such things now. That is all your plan, for the Army is contending that this trip abroad of KONOYE is only a scheme of HARADA; that it is a plan to separate Prince KONOYE from the Army."

I also learned that KONOYE had gone to see the War Minister first on the subject, and that the War Minister had given his approval. Later, Maj.-Gen. OBATA, SHIGA and Member of the House of Peers ITA, had met at the official residence of the War Minister and decided to cancel KONOYE's plans for the trip. After this meeting,

SHIGA had stopped at KONOYE's residence in Kamakura and had reported this fact to him. KONOYE had accepted this decision.

Thereupon, I told SHIGA: "That is fine. I will stop in to see KONOYE on the way home and explain, so please consider that my visit here was never made," and I left.

I went to KONOYE's place and asked him: "Why didn't you tell me that you had seen the War Minister, and also that you knew of the decision reached at the War Minister's residence? If the Army can sway you thus, what would you do in case Prince SAIONJI and the Army differed upon a matter? Wouldn't you be at a loss to choose a course of action? At any rate, you had better cancel your plans and we will consider that my visit to your place this morning never happened. Announce that your trip was cancelled because of ill health."

Then I came home and went to a gathering of Seiyukai members at the Horyu to which I had been invited. I left this morning and came to Okitsu. I gave the Prince an outline of these developments. The Prince said: "If such is the case, the trip had better be cancelled. There will come another time" and agreed with me.

I returned on the 21st and met Governor-General UGAKI on the morning of the 22nd. He said, -- "Dissent among the military is the same as before. I believe that we are getting more distant from the people than hitherto. We must wait for an opportune moment and cure ourselves of it." He also said: "Industrialization is very vigorous in Korea."

Later, I met the Premier and he said: "The matter of the Imperial Household Minister must be decided before it is presented to the Throne, or it will be very embarrassing should it be announced prematurely."

On the 27th, I went to Prince SAIONJI's place and he said: "I believe that it is better to postpone a decision upon the matter of the Imperial Household Minister. I want you to do your best on that matter. It would be bad to try to settle this matter before the Cabinet is ready for it. We cannot do this at just the convenience of the Imperial Household Ministry."

I met the Navy Minister on December 2, and he said: "It would be difficult if the Seiyukai showed any power. I think it very regrettable that there are no Cabinet members who can settle matters after the dissolution. Perhaps Premier SAITO may have to resign."

Then I met the Premier and he said: "Vice-Minister SEKIYA's actions are not very agreeable. I cautioned him through a certain person. The Seiyukai is spreading stories such as: 'After this session, SAITO will resign and hand over the reins of power to us,' but it is impossible for me to make promises or to forecast such things. There is no alternative for me but to try honestly and firmly. It would be very fine if this regular session could be carried out earnestly."

A few days ago in the Asahi Shimbun there was reported unexpectedly a rumor of a new Imperial Household Minister and that it was to be present Minister of Justice KOYAMA. The Premier had been considering KOYAMA, but because the name was actually mentioned he was very much alarmed and he went to see the Lord Keeper of the

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Privy Seal at 9:30.

The Lord Keeper of the Privy Seal told the Premier: "KOYAMA has not been decided upon as yet; if you have another likely candidate, keep him in mind." The Premier replied: "It is very awkward to have a member of the Cabinet changing positions at this critical time. I would like to have this matter postponed. In short, I would like to have the Imperial Household Minister stay on a while longer."

The Lord Keeper of the Privy Seal said: "Of course, a postponement would be more advantageous," and they parted. The public was very much agitated over this matter of the Imperial Household Minister, but after this there was no action so it became calm again.

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Chapter 64
(19 December 1932)

The Budget in Politics

Translated by Lieut. Taichi L. Nishihara

I met the Foreign Affairs Minister and he said: "I asked Viscount ISHII, 'How about a trip abroad, just as a private individual?' The Viscount consulted his physician and as a result, consented. "As to America, relations were not very good between Ambassador ISHII and the United States. So he had better put off visiting there, and since he has many acquaintances among the delegates to the League of Nations, I would like to have him visit Europe first, and then the United States on his return.

"Moreover, I want to have several influential men among the corps of industrialists go to the United States. I intend to send Count KABAYAMA as a representative to the Chicago Exposition."

I went to Okitsu on December 3 and reported these developments to the Prince. The Prince said: Dr. KONAN NAITO told me: 'LO CHEN-YU has collected a great deal of material on the history of the Manchurian Imperial Court and desires to write an authentic history of it. He would like to publish it. He also desires to have the support of the Japanese Government.' I would like to have you consult with the Ministers of War and Foreign Affairs about this first." In addition to this, there were some contributions from TAKUNO and he asked: "Please take care of these contributions somehow."

Then I returned to Tokyo and spoke with the Ministers of War and Foreign Affairs of the Prince's story of LO CHEN-YU. Both Ministers said that they would consider it.

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(The War Minister consented and the Foreign Affairs Minister would answer after investigation.)

I returned home and asked the Minister of Justice about some Communists in the Justice Ministry and he replied: "When we rounded up the Communists, I asked a Communist by the name of KASAMA 'Why did you hide in the home of Probationary Judicial Officer SAKAMOTO?' KASAMA replied: 'On the advice of Judge OZAKI.' Both SAKAMOTO and OZAKI are very talented individuals and OZAKI is a graduate of Waseda. Other than for these, there are no especially suspected men at present. These judges have not done any work for which they have had sole responsibility."

People who are attempting to find fault with Justice Minister OYAMA are trying to give this discovery great political significance but the general outlook is that it is not regarded as very important. The Seiyukai has also been considering it and concluded that if it was made a problem for investigation, six or seven of the preceding Justice Ministers would also be held responsible. If so, President SUZUKI would also be held responsible and this would have unfavorable influence in many directions. This too was a factor, but in general everyone has agreed that instead of dealing with the matter of responsibilityabstractly, efforts should be made to improve the actual situation. I also asked the Justince Minister to take care of the matter of TAKUMO.

I then went to the Navy Ministry and met Vice-Minister FUJITA. He said: "I cannot disclose this matter to anyone outside of the Navy Ministry except you, so I wish to caution you about it. Recently, Deputy-Chief of

the Naval General Staff TAKAHASHI came to my place and said: 'Admiral OKADA will be reaching the age limit soon; just what is to be done on the matter? It would be very awkward to have him resign just now. Supreme War Councillors ABO and OSUMI and Admiral KATO also desire earnestly that Navy Minister OKADA stay on in his post until after this session.' Supreme War Councillor KATO is even said to have spoken to His Highness, the Chief of the Naval General Staff. It is said that the Prince also is of the opinion that Admiral OKADA should not resign. Admiral TANAGUCHI is said to be of the opinion that even should the session be dissolved, it would be good to have him remain if the present Cabinet continues. Since even the men hostile to OKADA in the Ministry are in favor of his remaining in office. It would be very desirable to have the Premier talk to Fleet Admiral TOGO, just to play safe. Vice-Admiral NOMURA has written the Chief of the Naval Affairs Bureau and advised that since much is being said about raising the age limit within the Army, it would be advisable to keep him formally, in active service so as to avoid this. In other words the Navy wants to retain OKADA without arousing much discussion."

On the eve of his departure to his post, Ambassador OTA visited me. He said: "When I visited Okitsu recently, there was talk of a non-aggression treaty, but after having conferred with Minister UCHIDA and Army officers, I believe that it will be very difficult to arrange. Please convey this message to the Prince."

Then the Navy Minister told me that he had met the Finance Minister and that the Finance Minister wanted to resign. Later, Baron GOTO told me: "I am very worried

over the huge budget. What worries me is not only the budget itself, but that there is no positive perspective and no reliable method on how the final payment of the national debt is to be made and how we are going to guarantee its payment.

"I had Finance Minister TAKAHASHI come to a meeting of the KEIZAI REMMEI (Economic Federation) recently and asked him very pointedly about it but I did not hear anything which would give us any understanding or assurance. Finance Minister TAKAHASHI's future outlook is that with the drop of the exchange rate, the balance of trade will become more favorable. This increase in exports will, first of all, bring more prosperity. Secondly, by the orders for war supplies, commerce and industry will benefit. This boom, within a year or two, will be a step toward prosperity. Thirdly, there is a problem of the farming communities. The Government subsidies to aid the farmers will benefit the farming population of the country which consists of 60% of the people, and bring prosperity. These three factors make us hope for the recovery of prosperity.

But according to the opinion of Baron GO, it is clear that the increase in exports, due to the drop of the exchange rate, will bring about a decline in exports because the exchange rate is bound to be restored and the value of Japanese merchandise will become greater in the end.

Moreover, the orders for War supplies due to the expenditures for national defense are said to benefit the middle and small industrialists. But this is only a temporary thing and it may be conjectured that two or

three years hence there may be an increase in unemployment and new causes for pessimism. The subsidies to aid the farmers who constitute 60% of the population which may have made the farming people more prosperous.all will return to the great central banks. So the great central banks will be distressed by the abundance of money and the Bank of Japan will be required to stop the sale of treasury notes. The three reasons for optimism advocated by Finance Minister TAKAHASHI look to me like the proverbial 'castles in the air'.

"When the budget comes up before the House of Peers for approval at this session, we must by all means make the Government assure us of the outcome, that is, of how to make ends meet. I am very much against passing the budget unless the Government should promise that it is determined to save the people from a great burden in the future; that is, by such means as the readjustment of finances and the tax system; to speak more boldly, the readjustment of the administration."

KURODA and IWAKURA of the Koseikai said that they wanted to listen to the views of Baron GO and confer with him together with SAKAI and OKABE of the Kenkyukai and also with RITSU, Okubo, so we had lunch at the villa of Sumitomo. Everyone's views agreed more or less. One point on which all agreed was on the question: "Who is to be responsible for the drastic measures of the settlement? We must have Premier SAITO remain and carry them out, for the present political parties are not capable of doing it."

On the 15th, I had KIDO accompany me to Okitsu. I received the Prince's approval on the matter of bringing

KIDO along on subsequent visits because of his connections with the Lord Keeper of the Privy Seal and also because it would be absolutely necessary for the Lord Keeper of the Privy Seal to talk over the political situation with the Prince.

On December 14th, Ambassador ISHII said that he was leaving on January 9th and that he had to see the Prince before he left. I called the Prince on the phone and he said: "If it is very urgent, I will see him, but since my health is very poor, I would prefer to see him after his return." Thereupon I visited ISHII and he said: "The fact is that men such as HIRANUMA of the Privy Council are considering a Franco-Japanese alliance. Such an alliance is inconceivable. I have spent a great deal of time in France and am very familiar with the situation in Europe and I can see no other path for Japan except to become allied with England and the United States. We must secure our position by making the Anglo-Saxon people our allies. After all, the only nations with which we c can ally ourselves are England and the United States. "If we take a just and impartial stand between England and the United States, we will be eagerly sought after by both sides in Far Eastern and European problems and it is certain that Japan can place herself in a very favorable situation. If on the contrary, we ally ourselves with France and oppose the United States and England, what have we to gain in the future? Any person wth common sense can see that it cannot possibly be dreamt of that we ally ourselves with France. We must also consider how advantageous her membership in the League of Nations is for Japan in regard to her inter-

national position.

"Recently, there has been very severe criticism of the LYTTON Report and when I was on a lecture tour, I said that there may be various points in the Report with which we do not agree. However, its essentials clearly state that the present dispatch of soldiers to Manchuria is not for the purpose of a war of aggression. Just on this point alone it is clear how favorable Lord LYTTON's report is to Japan. Also, please pay my respects to the Prince."

ISHII was scheduled to leave on Januray 9th, but several days later when I went to the Foreign Affairs Ministry, Vice-Minister ARITA told me: "While MATSUOKA is working very strenuously, it seems that he is not in the least willing to have Ambassador ISHII go abroad now. Therefore, I think it advisable to delay his trip temporarily." Because of this, Ambassador ISHII's trip was postponed. Ambassador ISHII told me later: "MATSUOKA has gone too far, so if I go to Geneva, I shall personally warn him."

On the 15th, I saw the Finance Minister at his official residence. He said: "I had President SUZUKI of the Seiyukai visit me secretly on the night of the 13th. Just before this meeting SUZUKI had told me: 'If the Premier, in all sincerity, states that he will resign should the budget be approved, then get it approved somehow. If Prince SAIONJI should also second this request, then the Seiyukai will push the matter.smoothly.' I then told him: 'If that is your view, I do not wish to discuss it. I cannot possibly do such a thing as to have the Premier make a direct statement and then have Prince SAIONJI endorse it.'

"After this conversation, he came to visit me on the night of the 13th. He said: 'I went a little too far the other day, but there was a reason for it. At the extraordinary session of the Diet, I met with Minister OKADA in the office of MORI, Kaku. I told OKADA to resign after the extraordinary session had been dissolved. He replied that when the budget had been passed he would resign. He also stated that the Seiyukai must accept this budget. However, this could not be arranged.

"To trouble the Premier and the old Prince now is very unreasonable, so I will behave myself with complete faith in you. I will trust you, Finance Minister TAKAHASHI and will lead the party so as not to commit a gross mistake, in fact, so that, whatever individual interests may be, the party will not do anything improper toward the Government.

"So I told President SUZUKI: 'I am very anxious to restore the Government to the true course of constitutional parliamentarism. There was no other thought before I entered the Cabinet. When the Premier invited me, I investigated this first. I asked the Premier what he proposed to do with the budget; whether he was going to follow the budget of the Seiyukai Cabinet (INUKAI Cabinet) or to change it more or less. He said that he was going to follow it, in other words, not to change it. Then, the budget is what I had planned when I was a member of the INUKAI Cabinet, I felt that I was qualified to become the Finance Minister and accepted.

"At the 60th session of the Diet, a farmers' relief budget, and a relief and rehabilitation budget, came up and a budget such as that of the extraordinary session

became unavoidable. At the present time, nearly everything seems to have been settled and I have to give some reason for my staying on at the coming regular session.

"I also told the Premier: 'It is a very difficult situation, and aside from Japanese foreign policy, there are some trends of fascism and communism in our internal politics. The present Cabinet is abnormal and at this rate, fascism might arise. The situation is totally different from that of Italy. If Fascism should arise in Japan, there is a danger of causing internal disturbances. Once difficult problems are solved by a dictatorial government, a constitutional form must be restored. Therefore, this Cabinet has the duty of reverting to the true course of constitutional government without becoming fascistic. If things could be settled by just an extraordinary session, there would be no reason for my remaining; however, I must stay on for the next session because of my duty to turn the government toward the true course.' The Premier was also of the same mind and I stayed on because he asked me to do so.

"The Seiyukai is split into two factions and the jingoists are trying to ruin the Cabinet prior to the coming session and the President SUZUKI does not have the power to restrain them. If care is not exercised, there will be a head-on collision. Even if there is a dissolution, I believe that a moderate course should be taken. Therefore, I want to meet President SUZUKI.

"I spoke of this matter to the Premier and he said that it was proper; so I met President SUZUKI. When I met him, the previous requests had led to the situation I have just mentioned. I must talk with the Premier in

order to learn anything concrete, but it is my opinion that it would be well for me to resign if the people are of the opinion that the Seiyukai is not grabbing for political power, but I cannot say anything definite now. Even when we might ask the Premier, he would not be able to say when the resignation will take place. I believe that the proper time for resignation is when the session is dissolved, but the Premier cannot say anything personally. However, I told SUZUKI I would resign."

Since the Premier said that he was of the same opinion as the Finance Minister, I consider that the situation is sound. When the Finance Minister met President SUZUKI on the afternoon of the 13th, he told him that he would resign at the end of the session, asking him to do his utmost to cooperate at this time. President SUZUKI said that he would.

The story turned to the recent Cabinet conference and TAKAHASHI said: "At the recent Cabinet conference, I asked Foreign Affairs Minister UCHIDA: "Why wasn't a non-aggression pact made with Russia?' He replied: 'The Army does not agree.' I then asked him: 'How long are you going to be tied down by the Army? You must get away from it.' Foreign Affairs Minister UCHIDA looked quite uncomfortable." TAKAHASHI told me these things and appeared to be very much concerned.

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Chapter 65
(26 December 1932)

The Jehol Issue

Translated by Lieut. Taichi L. Nishihara

On December 11th, MORI passed away at a hotel in Kamakura. During his illness, I had delivered flowers from the Prince two or three times, and because he was deeply touched, he had sent many telegrams to my place. When his condition became critical, I received a wire, but to my regret, I was unable to see him. I was very sorry for he was just about to show his talents more fully. I presented the flowers from the Prince at the funeral.

The session of the Diet drew near and people were very busy, but the Prince did not meet anyone for awhile unless they had definite problems, not even the Minister of State. Interviews have been requested from many sources but he is refusing them all.

I met the Premier on December 21 and he said: "I visited Fleet Admiral TOGO yesterday and when I asked him for his opinion on OKADA's continuing in office, he said: 'If it is bad to change at this critical time, he should remain. I am for the retention of OKADA.' So, it was decided that even if he reached the age limit, he would remain in active service."

That afternoon, I met Navy Minister OKADA and he said: "There are not a few grave problems today which are very critical. First of all, there is a problem concerning the United States and Russia. There are also the problems of the Jehol and Tientsin area; I think that we should sweep aside all dangerous elements in Manchuria,

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decide upon a national policy concerning Manchuria only, concentrate our efforts there, and not touch the other problems. If we do not, things will come to the worst."

I went to Okitsu on either the 22nd or the 23rd and reported these things in brief to the Prince. He was very anxious over the Jehol problem. I told the Prince: "Vice-Minister ARITA has told me that the situation is bad because the Foreign Affairs Minister is too weak. He was quite frank in telling me of this matter. ARITA's plan is to have the Emperor caution the Foreign Affairs Minister or the Army. If nothing is done about it, it will give rise to a very dangerous situation."

The Prince said: "Even if the Emperor cautioned them now, the Army probably would not heed him. Deputy Chief of the Army General Staff, MAZAKI, and the like, are used to going back and telling the staff officers such things as: 'The Emperor was very much displeased' or: 'It was this way with the Emperor, so I . . .' if the Emperor showed any distress over their reports. Then the Army leaders would say: 'The Emperor is too pacifistic' or: 'He is too nervous,' and such things, if his remarks were not to their liking. In other words, they are almost saying that the Emperor's advisers and I are at fault. Therefore, if the Army would not heed even the words of the Emperor, it would greatly impair the Emperor's prestige. So it is a very delicate matter to have the Emperor come out in such a way now."

Two or three days after I returned, the Shanhaikwan incident occurred. This incident was settled locally and since a policy was decided upon not to make it appear

more important than it was, it did not cause much worry. Learned people are very apprehensive as to the future actions of authorities on the spot.

On the 29th I went to Okitsu and discussed the matter of Jehol again. The Prince said: "I still believe that it would be presumptuous to have the Emperor express his views. However, I believe that one method would be to have the Grand Chamberlain surmise the wishes of the Emperor as to his concern over the matter, which is the truth, and to have him tell the Chief of the Army General Staff: 'The Emperor appears to be very anxious; just what is likely to happen?' Since it is presumptuous to trouble the Emperor directly, I want you to confer first with the Lord Keeper of the Privy Seal."

I returned home the same day and when I went to pay a New Year's call (1933) upon the Prince, I discussed this problem further with him. Finally, on the evening of the 2nd, I visited the Lord Keeper of the Privy Seal at Kamakura and he said: "I don't think it very wise for the advisers to make a move now, whether it be the Grand Chamberlain or myself. If possible, I would prefer to have the Government assume responsibility. The present Premier is very understanding and frank with me so I wish that you would speak with him first."

On my return, I visited at KONOYE's home and spoke with KONOYE, SHIRATORI and SUZUKI. After dinner, I returned to Oiso. On the next day, thinking that the Premier was at Hayama, I went there. However, he was not there. Then I visited Finance Minister TAKAHASHI at Hayama and spoke with him on the Jehol problem. He appeared to be very anxious over it.

He said: "It will be all right if the matter ends at Jehol, but even so, its reverberations are not very pleasant. Moreover, since it is a matter of the supreme command, it cannot be ascertained at present how far it may go by force of circumstances. If the disturbances should spread to the Peking and Tientsin areas, they would offend the powers. As regards the problem of Manchuria, we succeeded in turning the situation for the better after all the troubles, as you know. But if the relatively good relations concerning Manchuria which are the precious gain of our great efforts should be aggravated severely by a radical change of atmosphere in the League of Nations, if our China and South Seas trade should fall into a critical condition, and thus Japan should come to a very disadvantageous situation, Japan will be completely isolated, with Japanese-American relations becoming hopeless and our financial position intolerable. If we must fight against the entire world, it would be disastrous financially, for even today we are in difficult financial straits. We must carefully consider the fact that this Jehol matter has a distinct possibility of inadvertently spreading. I am thinking of taking this matter up with the War Minister upon my return to Tokyo."

I returned to Tokyo and on the 4th, the Foreign Minister asked me to meet him at 4 P.M. so I went over to his official residence. However, when I went there, the Foreign Office's New Year's Party had not ended as yet so I joined them, and about 5 o'clock I conferred with UCHIDA on the second floor of his residence.

I spoke to him of the Jehol affair and he said:

"Please tell the Prince that I shall instruct the War Minister tomove in such a manner as to limit the affair, and that we shall carefully deal with things about which you are quite uneasey, so as to set his mind at ease." Among the views of the Foreign Minister was one that if CHANG HSUEH-LIANG continues as defiantly as at present, there will be no alternative to vigorous action. But, generally speaking, his words were that he would try to alleviate the causes of worry.

That evening, I spoke to TANI for about two hours at the Kuwana, and later, I went to the Kintanaka at the invitation of Forestry and Agriculture Minister GOTO. I spoke with him of the Jehol affair and he was of the same opinion as ourselves.

On the following day, the day of the New Year's Party, I went to the private residence of Premier SAITO in Yotsuya at nine in the morning. I spoke with him of the Jehol affair and he also seemed very concerned over it.

On the 6th I visited the War Minister and he was of the opinion that since Jehol was part of Manchuria, it was to be a local affair. Since the affair was one of regional limitation as well as of time, he believed in working it out according to the restrictions of time.

He said: "If we should continue to limit our troops in Jehol to those at present there, wouldn't it be a repetition of the Nikolaievsk incident? Let us deal with this situation as we did in the Shanghai incident; that is, finish the matter in the shortest possible time by sending a large force. If not, it will only be a repetition of the Nikolaievsk incident.

"I am still very indignant over the Shanghai incident.

The Army did not want to dispatch men from the first. The Foreign Ministry contended that it was to be limited to the leased areas or that the foreign settlements must not be passed through, etc. These things were irritating me and I told them to decide upon an objective and they finally decided to dispatch forces for the protection of our residents there. The incident was settled more satisfactorily than I had anticipated. However, regardless of the fact that this incident was settled without much intervention from the Powers, the Army seems to receive no credit for it. I am very irritated because the Foreign Ministry seems to have completely forgotten what they had so severely criticized. Much is being said concerning the situation in international politics, but no matter what Japan does at present, we will not be spoken well of and it is of no use for us to try to behave ourselves."

I replied: "We are not concerned with behaving ourselves or with doing things skillfully, but our fundamental policy is to get away from doing things from which we will get no benefits. If we are to do such things, they must be right in both theory and fact. It is very disadvantageous to have the powers think of us as the cause of unjustified wars."

To frankly state the opinion of the War Minister: "If we have about three divisions land from Tsingtao, pass through Tsinan in Shantung and push toward the Peking-Tientsin area, CHANG HSUEH-LIANG will probably retreat before we reach Tsinan. If we are to do it, I would like to have it thus, but it will be very difficult."

There were various other opinions, but in general, he said: "I would like to limit the Jehol affair as much as possible. The General Staff also seems to be considering methods from that point of view", and we parted.

On the 7th, KONOYE, KIDO and I went to Okitsu and we conferred on the Imperial inquiry in the matter of a possible political change, which the Prince had mentioned on December 19. We settled upon a plan devised by KIDO.

Saionji - Harada Memoirs

Chapter 66
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Takahashi Speaks Out

Translated by Lieut. Taichi L. Nishihara

Navy Minister OKADA was suddenly afflicted with hardening of the arteries and because of his high blood pressure he was advised by his physician that he must have complete rest. The situation was such that he must resign and that Admiral OSUMI would be the man to succeed him. I called Admiral OSUMI on the phone and he said: "The Premier has told me that I must succeed Admiral OKADA, but just now, I am very hesitant." I then told him: "The Cabinet and the Navy want you and your responsibility for the incident during the former INUKAI Cabinet has ceased because of your resignation at that time. I believe that if they need you again, it would be all right for you to accept." Thereupon OSUMI replied: "Then, shall I accept?" and hung up.

I talked over the phone with the Premier that night and he said that he was planning to have OSUMI call upon him the next day and to urge him to accept. But the next morning, when OSUMI came to the official residence of the Premier, he said that he would give his reply after having consulted personally with the two Fleet Admirals -- Chief of the Naval General Staff Prince FUSHIMI, and TOGO. After OSUMI left, I met the Premier. Both Fleet Admirals told Admiral OSUMI to accept and so he succeeded OKADA as the Navy Minister.

Later Admiral OSUMI asked me whether there was any matter he should know of at the present time. I replied: "The greatest point of worry is the Jehol affair and everyone is gravely concerned. Because

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Takahashi Speaks Out

Japan considers Jehol part of Manchuria, any action may be taken for the preservation of peace. However, if in actuality the Jehol affairs should be magnified and forces should be dispatched to areas beyond our jurisdiction, say west of Changcheng and further to the Peking Tientsin area, Japm's position would be very difficult and criticism and intervention by the Powers would be greater than from the League of Nations.

"It may reach a point where we may have to forfeit Manchuria or fight the whole world, so looking at it from this point of view, it is a matter of grave concern. This is being very presumptuous, but the Emperor is very anxious and so are the Prince and the advisers to the Throne. Therefore, I would like to have the Government assume responsibility so that the affair will not become enlarged and that no forces will be dispatched west of Changcheng (the Long Wall), even if we should attack Jehol. I want to ask for your efforts along this line, because people are very anxious. Finance Minister TAKAHASHI is very anxious about it and there may be warnings at the Cabinet conferences. I would like to ask you to support him in such cases."

Admiral OSUMI then said, "His Highness, the Chief of the Naval General Staff, has also expressed concern over it and he asked whether he should caution His Highness, the Chief of the Army General Staff. The Vice-Chief of the Naval General Staff also said that he wanted to speak with the Vice-Chief of the Army General Staff and agree on that point and not make any errors. Of course, as a member of the Cabinet, I shall also do my utmost."

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I then said to the Navy Minister: "Since you are so intimate with the Seiyukai and its members, they may approach you with political proposals such as to favor the Seiyukai when a political change takes place, but you must be very careful for it may cause you much trouble. Therefore, I advise you to leave those matters alone. If the Navy Minister should take part in such political maneuvers, we would not be able to make complaints on Army activities, so I would also like to caution you especially on that point." The Admiral was also of the same opinion.

On my return I met the Vice-Chief of the Naval General Staff and he was also of the same opinion. He said that he would do his best so that no mistakes would be committed. Later, I met the Lord Keeper of the Privy Seal and he said, "I am very worried over the Jehol affair. I would like to avoid having this matter reach the danger point by holding a conference of the advisers to the Throne or an Imperial Conference. The Premier is to go to Okitsu on either the 15th or the 16th, so when he does, I would like to have you tell the Prince to advise the Premier of that."

I told the Lord Keeper of the Privy Seal that many persons in various circles were concerned over the Jehol affair and he replied: "On your way to Okitsu tomorrow, stop in at Hayama and see the Grand Chamberlain about it." I thought that it might prove troublesome if I went to the Emperor's villa or to the residence of the Grand Chamberlain, so I arranged to have him come to the villa of a relative of mine in Hayama, Mr. KAWASAKI, at nine the next morning. Thereupon, I took an early train

to Hayama and met the Grand Chamberlain at Mr. KAWASAKI's place and told him everything.

The Grand Chamberlain said: "The Emperor is very anxious over it and he has personally discussed it with the Chief Aide-de-Camp. He remembers the fact that there were some Imperial Conferences and Imperial Cabinet Conferences in the time of Emperor MEIJI, but is wondering about the advisability of one now. Therefore, I would like to have you speak to the Prince and have him consider such a plan for the Government. I listened to all these details and left Ofuna for Okitsu.

At Okitsu, I told the Prince all these particulars and he said: "Imperial Conferences were held during the Russo-Japanese War, but other than these, I have no remembrance of any such conferences, even during Emperor MEIJI's reign. (Marginal note: There was an Imperial Conference when Prince YAMAGATA was to go to the Russian Coronation because he had some reason for not going. Prince ITO, Prince YAMAGATA and two or three others participated.) If such a conference is held and the matter which is decided upon cannot be carried out, it will only serve to defile the dignity of the Emperor. You are doing things righteously, but your method is far too ineffective, as if we tried to empty the big sea by ladling water; to my way of thinking, the Army at present will not listen to any advise. It is a very difficult matter, but when Premier SAITO comes, I shall advise him to have the Government bear the responsibility and be cautious."

I returned from Okitsu and visited Finance Minister TAKAHASHI on the morning of the 14th. The Jehol affair was again brought up and he said: "In yesterday's Cabinet

Conference, the Foreign Minister said that there had been preliminary talks for a Russo-Japanese Non-Aggression Treaty and also that the Russian Government is going to publish the contents of the proceedings as to why the treaty is not feasible. Also, that there had been an inquiry to the Japanese Government as to whether they would consent to such a measure. When the Foreign Minister started to explain this matter at the Cabinet Conference, I asked: 'Why didn't you conclude a Non-Aggression Treaty with Russia?' He replied: 'The Army was very concerned because they thought that it might facilitate the spreading of Communist propaganda.' I then said: 'If we had such a treaty, then, we could really protest. You can consider that the treaty and Communist propaganda are two separate problems. I believe that if the treaty had been concluded we could lodge protests. This present being dragged along by the Army is very disgusting.'

"The War Minister then said that public opinion must be considered, etc., so I said: 'There is no such thing as public opinion at present. If you say anything unfavorable to the Army, then the Kempei rattle their swords or point a gun and threaten you. There is no such thing as public opinion. There is nothing so severe as the present suppression of free speech. It is a fact that when a certain newspaper publisher in Kyushu wrote something unfavorable to the Army, they threatened him by having an airplane circle around the paper plant and said that they would bomb the plant. This situation of the Kempei following statesmen around as if they were spies is very disgusting.

I told a newspaperman, who often comes to my place, that there was hardly any freedom of speech and he agreed with me. He deplored the fact that he could not say what he wanted to.'

"At this the War Minister turned red with anger and said that there was no such thing. I again said: 'There is. I respect your intentions but your actions do not accord with them. It is quite bad, when the Kempei under your command are in such a position.' Against which he said various things, but among my Cabinet colleagues there was not one who supported my views. On the matter of Jehol, I said: 'What would Japan's stand be should the disturbances extend south of Changcheng by force of circumstances, though there are some reasons for this, since Jehol is part of Manchukuo? I am very worried over this. We have to be very cautious.' Also, the Navy Minister was very concerned and he said: 'Let us decide at the Cabinet Conference to the following effect that: 'Forces will not be sent south of Changcheng. CHANG HSUEH-LIANG will not be pursued no matter what he does. Our only objective will be Jehol' 'Let us decide upon this in written form. After this, let us end the conference.'"